



**COUNTY OF LOS ANGELES**  
**DEPARTMENT OF PARKS AND RECREATION**  
*"Creating Community Through People, Parks and Programs"*



Tim Gallagher, Director

September 16, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AMENDMENT TO THE OPERATING AGREEMENT WITH THE  
DESCANSO GARDENS GUILD, INC. FOR THE OPERATION AND  
MAINTENANCE OF DESCANSO GARDENS  
(Fifth District - Three Vote Matter)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

- 1 Find that approval of the Amendment to the Operating Agreement is a categorically exempt project pursuant to the California Environmental Quality Act (CEQA).
- 2 Approve and instruct the Chair to sign the attached Amendment to the Operating Agreement with the Descanso Gardens Guild, Inc. for Descanso Gardens located in the City of La Cañada-Flintridge.

**PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION**

On November 12, 1997, your Board approved the Descanso Gardens Operating Agreement (Agreement) with the Descanso Gardens Guild, Inc (Guild). The Agreement, which took effect on July 1, 1998 and will expire on June 30, 2018, authorizes the Guild to manage, operate, and maintain Descanso Gardens.

Under the terms of the Agreement, the County's annual consideration to the Guild for its management, operation and maintenance of the gardens was to be gradually reduced from \$304,020 to \$112,013 during the first fifteen years of the term. The Guild assumed total financial responsibility for garden operations commencing with the sixteenth agreement year (July, 2013).

An unanticipated effect of the planned reduction in County financial support of gardens' operations was its negative impact on the ability of the Guild to obtain grants and other funding from outside sources. Although the County's original level of support amounted to only fifteen percent (15%) of the Garden's total operating budget, it represented an ongoing County commitment to the facility that encouraged donors and other outside revenue sources to contribute to the gardens' operation.

The Guild informed the Department of this issue during Spring 2001; however discussions as to resolutions stalled at that time due to the transition in the Department's administration. Discussions with the Guild resumed last fall, and in order to demonstrate the County's commitment to Descanso Gardens, the annual level of support is recommended to be frozen at \$269,243 (fiscal year 2001-02 funding level) and the term of the Agreement reduced to a total of fifteen (15) years, so that it will terminate in 2013. This funding level represents the County's level of support at the time the Guild brought the issue to the Department's attention.

Under the terms of the Amendment County support for Descanso Garden will continue at that level for the remainder of the contract term, with the exception of fiscal year 2003-04, which has been increased to provide the additional support the Guild would have received if your Board had approved the Amendment during fiscal year 2002-03. Unfortunately, due to a lack of staff in our Contract Section and other high priority contract issues we were unable to submit the Amendment to your Board for approval during the prior fiscal year. The Guild undertook additional maintenance efforts at Descanso Gardens in anticipation of an additional \$10,770 in funding during fiscal year 2002-03 and has requested that amount be added to the support provided for fiscal year 2003-04.

In addition to increasing County support for the facility, the Amendment provides for increased County oversight of improvement projects by the Department of Parks and Recreation's Capital Projects Agency. This will ensure that all improvement projects are completed in accordance with County standards.

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The proposed amendment will further the Board-approved County Strategic Plan Goal 3, Organizational Effectiveness, by increasing County-Guild coordination of capital projects at Descanso Gardens, and Goal 4, Fiscal Responsibility, by increasing County oversight of those projects.

### **FISCAL IMPACT/FINANCING**

Establishing an annual level of County support for the gardens at \$269,243 will increase the County's total obligation by \$926,530, from \$3,181,014 to \$4,107,544, over the contract term, which is proposed to be reduced from 20 to 15 years.

The Department will fund the increased support levels from existing General Fund resources.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On November 12, 1997, your Board of Supervisors approved an Operating Agreement with the Descanso Gardens Guild, Inc. to manage, operate and maintain Descanso Gardens in La Cañada-Flintridge. The Agreement was authorized pursuant to Government Code Sections 25921, permitting the County to exercise all necessary and proper powers to promote the County's arboreta, and 31000, permitting the County to contract for special administrative or management services, and commenced on July 1, 1998. The Guild has executed the first Amendment to the operating agreement, and County Counsel has approved the document as to form.

The Amendment also reduces the term of the Agreement from twenty (20) to fifteen (15) years, includes provisions for oversight of capital improvement projects by the Department, updates contract insurance provisions, and adds Board mandated provisions regarding GAIN/GROW, Quality Assurance, Child Support Compliance, Jury Service, Federal Earned Income Credit, Recycled Paper Products, and the Safely Surrendered Baby Law.

### **NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT**

The approval of this contract amendment is categorically exempt under the California Environmental Quality Act (CEQA) according to Section 15301 Class 1 of the State CEQA guidelines as it involves no expansion of use at an existing facility.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Under the current agreement the Guild is responsible for management, operation and maintenance of the gardens. Approval of this amendment will allow the same level of services to be maintained.

**CONCLUSION**

A certified copy of the action taken by your Board and a fully-executed copy of the attached amendment should be mailed to Descanso Gardens, P.O. Box 778, La Cañada - Flintridge, California 91012-0778. In addition, it is requested that the four conformed copies be sent to the Department; and one conformed copy each to the Assessor, Auditor-Controller, County Counsel, and the Treasurer and Tax Collector, respectively.

Respectively submitted,

A handwritten signature in black ink, appearing to read 'Tim Gallagher', with a stylized, flowing script.

Tim Gallagher  
Director

7/9/03

FIRST AMENDMENT TO THE DESCANSO GARDENS OPERATING  
AGREEMENT - NUMBER 71122

THIS FIRST AMENDMENT TO THE DESCANSO GARDENS  
OPERATING AGREEMENT is made and entered into this \_\_\_\_\_ day of  
\_\_\_\_\_, 2003,

BY AND BETWEEN

COUNTY OF LOS ANGELES  
political subdivision of the State  
of California, hereinafter referred  
to as the "County",

AND

DESCANSO GARDENS GUILD,  
INC., a California nonprofit public  
benefit corporation ("Guild").

WHEREAS, the County is authorized by Government Code Section 25921  
to exercise any powers it deems necessary and proper to promote the objects  
and purposes of the County's arboreta and by Government Code Section 31000  
to contract for special administrative or management services; and

WHEREAS, the County and the Guild entered into the Descanso Gardens  
Operating Agreement, number 71122 ("Agreement"), dated November 12, 1997,  
pursuant to which the Guild is authorized 1) to manage, authorize and maintain  
the Descanso Gardens ("Garden"), and 2) to undertake certain improvements as  
may be approved by the Director of the Department of Parks and Recreation  
("Director"); and

WHEREAS, the County and the Guild desire to amend and restate certain  
of the terms and conditions under which the Guild may, with the Director's  
advance written approval, undertake capital improvements at the Gardens, either  
by way of the Guild completely financing the improvements or with the County's  
financial assistance; and

WHEREAS, the Guild has agreed to a five (5) year reduction in the Agreement's initial term from twenty (20) to fifteen (15) years; and

WHEREAS, County has agreed to compensate the Guild in the annual amount of \$269,243 for the remainder of the initial term; and

WHEREAS, Board of Supervisors has issued a number of new or revised contract provisions and policies since its initial approval of the Agreement, and has instructed the Director to implement these provisions and policies; and

WHEREAS, Amendment contains the required new or revised contract provisions developed since the initial approval of the Agreement; and

WHEREAS, Guild has affirmed the implementation of these provisions;

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein and in this First Amendment to the Agreement, the parties hereto agree as follows:

## **1. TERM**

The existing paragraph 3.a. of the Agreement entitled "Initial Term" is deleted in its entirety and the following paragraph is substituted:

“a. Initial Term: The term of this Agreement shall be for a period beginning July 1, 1998, and shall extend through June 30, 2013 unless cancelled, renewed or extended as hereinafter provided.”

## **2. MANAGEMENT COMPENSATION**

The existing Paragraph 6.a. of the Agreement entitled "Management Fee" is deleted in its entirety and the following paragraph is substituted:

“a. Management Fee: As consideration for Guild’s performance of the management, operation and maintenance of the Gardens, County shall pay to Guild a management fee as follows:

Agreement <u>Year</u>	Management <u>Fee</u>
1.	\$304,020
2.	\$292,147
3.	\$280,461
4.	\$269,243
5.	\$269,243
6.	\$269,243
7.	\$269,243
8.	\$269,243
9.	\$269,243
10.	\$269,243
11.	\$269,243
12.	\$269,243
13.	\$269,243
14.	\$269,243
15.	\$269,243

Such base management fee shall be paid within thirty (30) days from the commencement of each “agreement year.”

### **3. IMPROVEMENTS**

The existing Section 9 of the Agreement, entitled "IMPROVEMENTS" is deleted in its entirety and the following section is substituted:

#### **"IMPROVEMENTS**

a. Director Approval: Any proposed improvement undertaken by the Guild which requires the issuance of a building permit, including but not limited to construction of utilities, landscape planting, replanting or removal, irrigation, site improvements such as paths, walkways, benches, lighting, interpretive exhibits and panels, demolition, relocation or replication of existing buildings, and construction of new buildings, shall be submitted to and have the prior written approval of the Director. Notice of

a proposed capital improvement project shall be provided to the Director in writing and shall include sufficient detail regarding proposed scope, cost estimate, time frame and proposed funding for the project. The Director shall provide written approval, or estimated time required to provide such approval to the Guild within 30 days of receipt of all necessary documents.

b. Funding: Unless otherwise approved by the Director in writing, all funds for the costs of any capital improvement, inclusive of costs of performance and payment bonds and the costs of any permits, shall be solely the responsibility of the Guild. The Director agrees to consult with the Guild, as requested, with regard to the feasibility of public-assisted financing methods in connection with proposed capital improvements.

c. Plan Preparation: The Guild shall ensure that all capital-improvement plans are prepared by qualified professionals such as architects, engineers and landscape architects who are licensed by the State of California and are approved in advance by the Capital Project Agency of the County's Department of Parks and Recreation ("CPA") and, when necessary, have had prior experience working with historic site and structure duplication or other appropriate experience. In addition, the Guild shall be required to utilize the services of an experienced construction management consultant in connection with any project performed hereunder, unless otherwise agreed to in writing by the Director. The Guild shall obtain the written approval of the CPA of the schematic design, design development, construction drawings, bid documents, and cost estimates at 50%, 75% and 90% complete stages of any project performed hereunder, unless otherwise agreed to in writing by the Director.

d. Contract Approval: Copies of all contracts for projects requiring the issuance of a building permit between Guild and the Guild's architects,



engineers, and contractors shall be furnished to and consented to in writing by the Director. The Director's consent shall not be unreasonably withheld.

e. Environmental Impacts: The Guild shall coordinate environmental impact issues with the CPA in compliance with the California Environmental Quality Act ("CEQA") and shall receive written approvals and authorizations from CPA. The Guild shall, however, maintain full responsibility for implementing all CEQA and related requirements.

f. Construction Management: The Guild and/or its construction manager shall maintain responsibility for conducting regularly scheduled site inspections and job meetings. Documentation of these meetings shall be maintained by the Guild and be available for review by Department staff.

g. Performance Bond: In connection with any capital improvement project performed hereunder, the Guild shall, at its own cost, obtain or require its contractor to obtain a performance bond from an admitted California surety, in good standing, in an amount equal to one hundred percent of the construction cost of the improvement, unless the Director otherwise agrees in writing. Said performance bond and surety must be satisfactory to the County and shall name the County of Los Angeles and the Guild as obligees.

h. Payment Bond: In connection with any project performed hereunder, the Guild shall, at its own cost, obtain or require its contractors to obtain a payment bond from an admitted California surety, in good standing, equal to 100% of the construction cost of the project, unless the Director otherwise agrees in writing. Said payment bond and surety must

be satisfactory to the County and shall name the County and the Guild as obligees.

i. Prevailing Wages: In connection with any capital project performed hereunder, the Guild shall comply with and shall require all of its contractors to comply with all provisions of the Labor Code of the State of California, including but not limited to, the payment of prevailing wages to all persons providing labor on any such project.

j. Compliance With All Laws and Building Codes: The Guild shall comply with and require its contractors to comply with all applicable laws, including Building Code requirements in connection with any projects performed hereunder.

k. Additional Provisions: It is contemplated that the County may impose additional obligations on the Guild with respect to particular capital improvement projects performed hereunder and such additional requirements may be set forth in a separate writing signed by the Guild and the Director on behalf of the County."

#### **4. INSURANCE**

The existing Section 13 of the Agreement entitled "INSURANCE" is deleted in its entirety and the following section is substituted:

##### **"INSURANCE**

a. General Requirements

Without limiting Guild's indemnification of County and during the term of this Agreement, Guild shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs

maintained by County. Such coverage shall be provided and maintained at the Guild's own expense.

b. Evidence of Insurance

Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to the Director at 301 North Baldwin Avenue, Arcadia CA 91007, prior to commencing services under this Agreement. Such certificates or other evidence shall:

1. Specifically identify this Agreement;
2. Clearly evidence all coverages required in this Agreement;
3. Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
4. Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Agreement; and
5. Identify any deductibles or self-insured retentions for County's approval. The County retains the right to require Guild to reduce or eliminate such deductibles or self-insured retentions as they apply to County, or, require Guild to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

c. Insurer Financial Ratings

Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

d. Failure to Procure Insurance

Failure by Guild to procure or maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Agreement upon which County may immediately terminate or suspend this Agreement. County, at its sole option, may obtain damages from Guild resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Guild, County may deduct from sums due to Guild any premium costs advanced by County for such insurance.

e. Notification of Incidents, Claims or Suits

Guild shall report to County:

1. any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Guild and/or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.
2. any third party claim or lawsuit filed against Guild arising from or related to services performed by Guild under this Agreement.
3. any injury to a Guild employee which occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County contract manager.
4. any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Guild under the terms of this Agreement.

f. Compensation for County Costs

In the event that Guild fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Guild shall pay full compensation for all costs incurred by County.

g. Insurance Coverage Requirements for Subcontractors

Guild shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

1. Guild providing evidence of insurance covering the activities of subcontractors; or
2. Guild providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

h. Insurance Coverage Requirements

1. **General Liability:** Insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

2. **Automobile Liability:** Insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million per occurrence. Such insurance shall include coverage for all "owned", "non-owned" and "hired" vehicles, or coverage for "any auto".

3. **Workers Compensation and Employer's Liability:** Insurance providing workers compensation benefits, as required by the

Labor Code of the State of California, or any other state, and for which the Guild is responsible. If Guild's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which Guild is responsible. In all cases, such insurance shall also include Employer's Liability coverage for all persons providing services on behalf of the Guild and for all risk to such persons under this Agreement with limits of not less than the following:

Each Accident: \$1,000,000

Disease - policy limit: \$1,000,000

Disease - each employee: \$1,000,000

**4. Special Events Liability Insurance Program:**

Guild shall, during the term of this Agreement, act as the Special events Liability Insurance Program (SELIP) coordinator for the Gardens and shall require all persons and organizations granted use of the Gardens or Gardens' facilities for special events, as applicable, to provide liability insurance in accordance with the County of Los Angeles Special Events Liability Insurance Program Guidelines and Procedures and requirements of the Chief Administrative Office, Risk and Insurance Management Agency."

**5 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

The existing Paragraph 14.d. of the Agreement entitled "Employment of GAIN Program Participants" is deleted in its entirety and the following paragraph "Consideration of Hiring GAIN/GROW Program Participants" is substituted:

"d. Consideration of Hiring GAIN/GROW Program Participants

Should the Guild require additional or replacement personnel after the effective date of this Agreement, the Guild shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Guild's minimum qualifications for the open position. For this purpose, consideration shall mean that the Guild will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Guild."

**6. COUNTY'S QUALITY ASSURANCE PLAN**

A new section 39 of the Agreement entitled "County's Quality Assurance Plan" is added as follows:

**"COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate Guild's performance under this agreement on not less than an annual basis. Such evaluation will include assessing Guild's compliance with all contract terms and performance standards. Guild deficiencies that County determines are severe or continuing and that may place performance of the agreement in jeopardy if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Guild. If improvement does not occur consistent with the corrective action measures, County may terminate this agreement or impose other penalties as specified in this agreement."

**7 GUILD'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

A new section 40 of the Agreement entitled "Guild's Warranty of Adherence to County's Child Support Compliance Program" is added as follows:

"GUILD'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

a. Guild acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through this Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

b. As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Guild's duty under this Agreement to comply with all applicable provisions of law, Guild warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b)."

**8 GUILD'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT**

A new section 41 of the Agreement entitled "Guild's Acknowledgement of County's Commitment to Child Support" is added as follows:

"GUILD'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT

Guild acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support



evaders. Guild understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Guild's place of business. County's Child Support Services Department will supply Guild with the poster to be used."

**9. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

A new section 42 of the Agreement entitled "Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program" is added as follows:

**"TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of Guild to maintain compliance with the requirements set forth in Section 40 "Guild's Warranty Of Adherence To County's Child Support Compliance Program" shall constitute a default by Guild under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department shall be grounds upon which the County Board of Supervisors may terminate this Agreement pursuant to Section 18 "Termination for Default"."

**10. COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

A new section 43 of the Agreement entitled "Compliance with the County's jury service program" is added as follows:

"COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

a. Jury Service Program:

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

b. Written Employee Jury Service Policy.

1. Unless Guild has demonstrated to the County's satisfaction either that Guild is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Guild qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Guild shall have and adhere to a written policy that provides that its Employees shall receive from the Guild, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Guild or that the Guild deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Guild uses any subcontractor to perform

services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

3. If Guild is not required to comply with the Jury Service Program when the Contract commences, Guild shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Guild shall immediately notify County if Guild at any time either comes within the Jury Service Program's definition of "Contractor" or if Guild no longer qualifies for an exception to the Jury Service Program. In either event, Guild shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Guild demonstrate to the County's satisfaction that Guild either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Guild continues to qualify for an exception to the Program.

4. Guild's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Guild from the award of future County contracts for a period of time consistent with the seriousness of the breach."

**11. NOTICE TO EMPLOYEES RE: THE FEDERAL EARNED INCOME CREDIT**

A new section 44 of the Agreement entitled "Notice to Employees Re: The Federal Earned Income Credit" is added as follows:

**"NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Guild shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Income Credit under the federal income tax laws. Such notice

shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015."

**12. RECYCLED BOND PAPER**

A new section 45 of the Agreement entitled "Recycled Bond Paper" is added as follows:

"RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract."

**13 SAFELY SURRENDERED BABY LAW**

A new section 46 of the Agreement entitled "Safely Surrendered Baby Law" is added as follows:

"SAFELY SURRENDERED BABY LAW

The Guild shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Such information and notice is set forth in Exhibit F."

**14. RATIFICATION**

All other terms, conditions, covenants and promises of the Operating Agreement not affected by the provisions of this Amendment shall remain in full force and effect and are hereby reaffirmed.

**15. EFFECTIVE DATE**

The effective date of this Amendment shall be date of approval hereof by the County's Board of Supervisors.

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IN WITNESS WHEREOF, Guild has executed this Amendment to the Operating Agreement, or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board on the day and year first above written.

**DESCANSO GARDENS GUILD**

By \_\_\_\_\_  
President

**COUNTY OF LOS ANGELES**

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:  
Violet Varona-Lukens, Executive Officer  
Clerk of the Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
LLOYD W. PELLMAN  
County Counsel

By \_\_\_\_\_  
Principal Deputy County Counsel